



SFERS

San Francisco Employees' Retirement System

City and County of San Francisco Employees' Retirement System

RETIREMENT BOARD MEETING DRAFT MINUTES

Wednesday, April 10, 2019

1145 Market Street, 6th Floor
San Francisco, CA 94103

1:00 p.m.

Please take notice that the Retirement Board will begin its meeting with a closed session item. The Board will take public comment before going into closed session, limited to the topic of the closed session item. The Board will return to open session and begin the public portion of the meeting with General Public Comment, not earlier than 3:00 PM.

MISSION STATEMENT

San Francisco City and County Employees' Retirement System is Dedicated to Securing, Protecting and Prudently Investing the Pension Trust Assets, Administering Mandated Benefit Programs, and Providing Promised Benefits.

RETIREMENT BOARD MEMBERS

President

Brian Stansbury

Vice President

Vacant

Commissioners

Leona Bridges

Al Casciato

Carmen Chu

Joseph Driscoll

Scott Heldfond

Ahsha Safai

Executive Director

Jay Huish

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OPENING CALENDAR

1. Pledge of Allegiance

2. Roll Call	Commissioner Leona Bridges	1:05 PM
	Commissioner Al Casciato	Absent
	Commissioner Carmen Chu	1:05 PM
	Commissioner Driscoll	1:05 PM
	Commissioner Heldfond	1:05 PM
	Commissioner Ahsha Safaí	1:30 PM
	President Brian Stansbury	Absent

3. 041019-03 Action Item CLOSED SESSION

3(a) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Commissioner Driscoll called for public comment related to the Retirement Board going into Closed Session for a) a conference with legal counsel related to existing litigation and (b) possible recommendation and/or action on purchase of particular, specific investment under California Government Code Section 54956.81 (5 investments). There were no public comments and Commissioner Driscoll closed public comment.

Action: Moved by Commissioner Driscoll, seconded by Commissioner Chu, to invoke the attorney-client privilege and conduct a closed session for existing litigation with legal counsel.

The following individuals were present for the legal closed session: Commissioners Bridges, Chu, Driscoll, Heldfond; Jay Huish, Executive Director; Caryn Bortnick, Deputy Executive Director, Diane Chui Justen, Deferred Compensation Manager; Darlene Armanino, Board Secretary; Katie Porter, Robert Bryan, Tran Ly, Molly Nordale, Deputy City Attorneys

Ayes: Commissioners Bridges, Chu, Driscoll, Heldfond

Absent: Commissioners Casciato, Safaí, Stansbury

Conference with Legal Counsel - Closed Session ended 1:20 PM

3(b) CLOSED SESSION - POSSIBLE RECOMMENDATION AND/OR ACTION ON PURCHASE OF PARTICULAR, SPECIFIC INVESTMENT UNDER CALIFORNIA GOVERNMENT CODE SECTION 54956.81 (5 INVESTMENTS)

The following individuals were present for the closed session: Commissioners Bridges, Chu, Driscoll, Heldfond, Safaí; Jay Huish, Executive Director; Caryn Bortnick, Deputy Executive Director; William J. Coaker, Chief Investment Officer; Kurt Braitberg, Managing Director, Public Markets; David Francl, Managing Director, Absolute Returns; Anna Langs, Managing Director of Asset Allocation, Risk Management, and Innovative Solutions; Tanya Kemp, Managing Director, Private Markets; Andrew

Collins, Director, ESG; Ed Comerford, Director, Real Assets; Han Pham, Director, Public Equity; Chris Chow, Director, Natural Resources; Victoria Owens, Justin Lo, Bo Williamson, Senior Portfolio Managers; Mark Coleman, Alo Martins, Dennis Esselsagoe, Luke Angus, Security Analysts; Karen Perez, Investment Management Assistant; Darlene Armanino, Board Secretary; Robert Bryan, Tran Ly, Molly Nordale, Deputy City Attorneys; Kelly Jensen, Rob Long, Connor Kozin, Anita Ng, Cambridge Associates; Allan Martin, NEPC.

Closed session ended at 3:25 PM

Meeting recessed from 3:25 PM to 3:40 PM

The Board returned to open session at 3:40 PM

Consultation with Legal Counsel – Existing Litigation and Possible Recommendation and/or Action on Sale and Purchase of Particular, Specific Pension Fund Investment under California Government Code Section 54956.81 (5 investments).

Action: Moved by Commissioner Chu, seconded by Commissioner Safaí, not to disclose discussions held in closed session under San Francisco Administrative Code Section 67.12(a).

Ayes: Commissioners Bridges, Chu, Driscoll, Heldfond, Safaí

Absent: Commissioners Casciato, Stansbury

4. 041019-04 General Public Comment - Not earlier than 3:00 PM

Commissioner Driscoll called for General Public Comment.

Richard Hack, SEIU Local 1021, urged the Board to move away from Hedge Funds and secrecy.

John Stinson, member of pension fund, spoke about investment strategy of stocks, bonds and real estate.

Herbert Weiner, City Retiree, welcomed Commissioner Heldfond to the Board and spoke of his concerns about stable and reliable investments with good returns.

Fred Sanchez, President of Protect our Benefits, welcomed Commissioner Helfond to the Retirement Board and thanked Commissioner Paskin-Jordan on her past service.

Claire Zvanski, President of RECCSF and Vice President of SEIU 1021, welcomed Commissioner Heldfond.

There were no further comments and General Public Comment was closed.

5. 041019-05 Action Item Approval of the Minutes of the March 13, 2019 Meeting

Documents provided to the Retirement Board prior to the current meeting: Draft Minutes of the March 13, 2019 Retirement Board Meeting

Commissioner Driscoll called for public comment.

There were no comments and public comment was closed.

Action: Moved by Commissioner Chu, seconded by Commissioner Driscoll to approve Commissioner Heldfond's request to abstain from approving the Minutes of the March 13, 2019 meeting.

Ayes: Commissioners Bridges, Chu, Driscoll, Safaí

Absent: Commissioners Casciato, Stansbury

Action: Moved by Commissioner Bridges, seconded by Commissioner Chu to approve the Minutes of the March 13, 2019 meeting.

Ayes: Commissioners Bridges, Chu, Driscoll, Safaí

Absent: Commissioners Casciato, Stansbury

Abstain: Commissioner Heldfond

CONSENT CALENDAR

All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Retirement Board and will be acted upon by a single vote of the Retirement Board. There will be no separate discussion of these items unless a member of the Retirement Board so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.

6. 041019-06a	Action Item	Consent Calendar
041019-06b	Action Item	Voluntary Retirement Board List No. 10-18
041019-06c	Action Item	Decisions of Hearing Officers
Gregory L. Blatman Effective Date: 7/1/16	H2O Lieutenant, Fire Suppression Fire	Industrial Disability Retirement Denied

Fabian E. Brown Effective Date: PERS	8308 Sheriff's Sergeant Sheriff	Cal-PERS - Disability Retirement Certified
Oscar E. Carcelen, Jr. Effective Date: 7/1/16	Q4 Police Officer III Police	Industrial Disability Retirement Granted
Alexis Chanduvi Effective Date: 11/1/17	9163 Transit Operator MTA	Ordinary Disability Retirement Granted
Ignatius H. Chinn Effective Date: 6/30/17	Q4 Police Officer III Police	Industrial Disability Retirement Granted
Wilma De Gracia Effective Date: 11/2/16	420C Deputy Court Clerk Trial Courts	Ordinary Disability Retirement Granted
Ronnie Herd Effective Date: PERS	8304 Deputy Sheriff Sheriff	Cal-PERS - Disability Retirement Denied
Earnestine May-McNary Effective Date: TBD	1440 Medical Transcriber Typist DPH-LHH	Ordinary Disability Retirement Denied
Silvia Y. Novoa Effective Date: 3/7/17	2736 Porter DPH-LHH	Ordinary Disability Retirement Granted
Lenin A. Pabiona Effective Date: 6/1/18	2320 Registered Nurse DPH-LHH	Ordinary Disability Retirement Granted
Kathleen Shinn (aka Kathleen Kennedy) Effective Date: 2/1/12	2320 Registered Nurse DPH-SFGH	Ordinary Disability Retirement Granted
Dickson E. Sulus Effective Date: 10/1/18	2303 Patient Care Assistant DPH-LHH	Ordinary Disability Retirement Granted
Kari M. Totah Effective Date: PERS	8444 Deputy Probation Officer Juvenile Probation	Cal-PERS - Disability Retirement Certified
041019-06d	Action Item	Petition for Rehearing
Gregory L. Blatman Effective Date: 7/1/16	H20 Lieutenant, Fire Suppression Fire	Industrial Disability Retirement Denied

Earnestine May-McNary
Effective Date: TBD

1440 Medical Transcriber Typist
DPH-LHH

Ordinary Disability Retirement
Denied

041019-06e

Action Item

Travel Requests

Request travel approval for Commissioner Leona Bridges to attend the NASP Pension & Financial Services Conference, June 24-26, 2019, Baltimore, Maryland.

041019-06f

Discussion Item

Retirement Board Member
Reports and Comments

Report by Commissioner Leona Bridges who attended The Council of Institutional Investors (CII) Spring Conference, March 4-7, 2019, Washington, DC.

Action: This is a discussion only item.

Documents provided to the Retirement Board prior to the current meeting: Voluntary Retirement Board List, Hearing Officer Decisions, Travel Request, Board Report

Commissioner Driscoll called for public comment.

There were no comments and public comment was closed.

Action: Moved by Commissioner Heldfond, seconded by Commissioner Safaí, to approve the Consent Calendar.

Ayes: Commissioners Bridges, Chu, Driscoll, Heldfond, Safaí

Absent: Commissioners Casciato, Stansbury

INVESTMENT CALENDAR

7. 041019-07 Discussion Item Liquidity Management Framework for SFERS

Documents provided to the Retirement Board prior to the current meeting: SFERS Liquidity Management Framework

Bill Coaker, Chief Investment Officer, reminded the Board that last month began a three-part series on risk management. The first was last month which was on asset allocation optimization of risk and return, part two is this month and part three will be next month which will be a sweeping view of all the risk exposures throughout the portfolio, both by asset class and as a whole.

Anna Langs, Managing Director of Asset Allocation, Risk Management, and Innovative Solutions,

presented an oral and written report on this item.

Ms. Langs described a Liquidity Management Framework to assess SFERS' liquidity and cashflow needs and its ability to meet ongoing pension obligations and capital calls. The framework incorporates steady state and multiple stress scenarios under significant liquidity constrained environments.

SFERS Liquidity Management Summary:

- Private Equity is at target allocation of 18% and projected to become net cash flow positive in 2019.
- Real Assets is close to its target allocation of 17% and projected to become net cash flow positive in 2020/21. Forecasted net cash outflows for Real Assets portfolio in 2019 are around \$275 million.
- Private Credit's target allocation of 10% from current 2.5% allocation requires continued build-out and liquidity needs of around \$350 million net outflows in 2019.
- Liquidity needed to fund private markets will be met by reducing Liquid Credit and Public Equities.
- Estimated net cash outflows for benefit payments are \$511 million in 2019 or 2% of SFERS' Plan Assets.
- Liquidity analysis includes base case and stress assumptions for cash flow forecasts and asset liquidity.
- At the core of SFERS Stress Liquidity Management is its asset allocation to U.S. Intermediate Treasuries of 6% of Total Plan Assets or \$1.5 billion.

SFERS Staff worked with two industry thought-leaders to produce Commitment Pacing and Cash Flow Forecasts. The forecasts used variations of the Yale Model and incorporated many assumptions. The forecasts are for planning purpose only. Ms. Langs suggested that cash management forecasting should not be done too frequently as this can create short-term focus. SFERS Staff recommends running a cash management model once a year.

Commissioner Driscoll called for public comment.

John Stinson spoke about investment risk and urged Board to divest in all alternative investments.

There were no further comments and public comment was closed.

Action: This is a discussion only item.

8. 041019-08 Discussion Item TorreyCove Commitment Pacing and Cash Flow Forecasts

Documents provided to the Retirement Board prior to the current meeting: TorreyCove Presentation, SFERS Commitment Pacing and Cash Flow Forecasts

Anna Langs, Managing Director of Asset Allocation, Risk Management, and Innovative Solutions, presented an oral and written report on this item.

David Fann and Tom Hebard, TorreyCove, presented Commitment Pacing and Cash Flow Forecasts for SFERS's Private Equity, Private Credit, Real Assets and aggregate Private Investments portfolio. TorreyCove utilized its proprietary cash management models to estimate SFERS's cash flow needs for steady state and multiple stress scenarios.

SFERS has a target allocation of 18% to private equity. Based on this allocation, TorreyCove estimates SFERS private equity should set a target \$1.0 billion of commitments in 2019, increasing by \$50 million to \$100 million incrementally to approximately \$1.4 billion in 2025.

Mr. Fann reported that the Private Equity program is expected to be self-funded starting 2019 with positive projected net annual cash flows around \$400 million.

Mr. Fann reported that public market volatility will have a significant impact on SFERS overall pension growth and the pacing forecast. The scenarios presented reflect base case commitments and do not assume changes in commitment pacing.

SFERS Private Equity net cash flows can turn negative under market stress scenarios. Past market corrections had significant impact on asset allocation, liquidity, and expected cash flows.

SFERS has a target allocation of 10% to private credit. Based on this allocation, TorreyCove estimates SFERS PC should set a target \$800 million of commitments in 2019, increasing by \$50 million to \$100 million incrementally to approximately \$950 million in 2025. SFERS Private Credit net cash flows are projected to be negative ~\$500 million for the next four years. SFERS Private Credit is projected to become net cash flow positive in 2023. Market volatility and credit cycles can present opportunity to further build SFERS' PC Portfolio. The private credit program's cash flows are forecast to experience slightly varying j-curve effects under the different scenarios.

SFERS has a target allocation of 17% to real assets. Based on this allocation, TorreyCove estimates SFERS RA should set a target \$1.0 billion of commitments in 2019, increasing by \$100 million incrementally to approximately \$1.3 billion in 2025. SFERS RA is projected to become net cash flow positive around 2020.

Private investments exposure is expected to increase moderately as a percent of overall pension assets over the next several years. The program is expected to be slightly cash flow negative for the short-term foreseeable future under the base case assumptions.

The Board reviewed and discussed the material and engaged in a question and answer session with staff.

Commissioner Driscoll called for public comment.

John Stinson spoke about simple investments.

There were no further comments and public comment was closed.

Action: This is a discussion only item.

9. 041019-09 Discussion Item Cambridge Associates Commitment Pacing and Cash Flow Forecasts

Documents provided to the Retirement Board prior to the current meeting: Cambridge Associates Presentation, SFERS Private Investment Commitment Pacing and Cash Flow Analysis

Anita Ng, Craig Beach, Connor Kozin, Cambridge Associates presented Commitment Pacing and Cash Flow Analysis for SFERS Private Equity, Private Credit, Real Assets and aggregate Private Investments portfolio. In this analysis Cambridge Associates leverage proprietary cash management models to estimate SFERS' cash flow needs for base case and GFC stress scenario.

The Board reviewed and discussed the material and engaged in a question and answer session with staff.

Commissioner Driscoll asked TorreyCove to explain the margin of error in their presentation. Mr. Hebard explained how over time the estimates get wider and any variable can change that. For example, the growth in the public pension is a main element that would change that. Mr. Fann also spoke about how the private market funds can change in SFERS favor and how the liquidity distribution profile can change in SFERS favor more than what was projected.

Commissioner Driscoll called for public comment.

John Stinson spoke about Warrant Buffet and the S&P 500.

There were no further comments and public comment was closed.

Action: This is a discussion only item.

10. 041019-10 Discussion Item Chief Investment Officer Report

Documents provided to the Retirement Board prior to the current meeting: CIO Report

Bill Coaker, Chief Investment Officer, presented an oral and written report on this item.

Mr. Coaker reported that SFERS returned 0.51% in the month of March, increasing our total return for the quarter to 5.80%. Public Equity and Fixed Income turned in solid returns of 1.14% each during the month. For the quarter, Public Equity posted an outstanding return of 14.15%, an explosive rally after the December plunge of more than 9%. Absolute Return has been our second-best performer so far in 2019, posting a return of 3.19% for the quarter.

For the first nine months of fiscal year 2018-19, SFERS portfolio has returned of 4.24%. Private Equity has gained 11.12%, backed by a strong IPO market for technology and biotech companies as well as strong revenue growth among individual companies. Real Assets and Private Credit have also posted solid returns of 7.19% and 6.27%, respectively.

Mr. Coaker announced the following closed session disclosure reports:

C-Bridge Healthcare Fund IV, L.P.

At its meeting on February 13, 2019, the Retirement Board approved in closed session an investment of up to \$50 million in C-Bridge Healthcare Fund IV, L.P. The investment was approved by the following vote:

Ayes: Commissioners Bridges, Casciato, Chu, Driscoll, Paskin-Jordan, Safai, Stansbury

SFERS' investment of \$50 million in C-Bridge Healthcare Fund IV, L.P. closed on March 8, 2019.

This investment is classified as a Small Buyout within SFERS' private equity portfolio and is SFERS' first commitment with C-Bridge Capital Investment Management, Ltd.

More information about C-Bridge is available on <http://www.cbridgecap.com/en/>.

Marshall Wace TOPS World Equities (US) Fund

At its meeting on February 13, 2019, the Retirement Board approved in closed session an investment of up to \$500 million in the Marshall Wace TOPS World Equities (US) Fund. The investment was approved by the following vote:

Ayes: Commissioners Bridges, Casciato, Chu, Driscoll, Paskin-Jordan, Stansbury

Absent: Commissioner Safai

SFERS' commitment of \$250 million closed on March 26, 2019. SFERS expects to commit another \$250 million when additional capacity will become available later this year. The investment is classified as global public equity active extension within SFERS' public equity portfolio and is SFERS' first investment with Marshall Wace.

More information about Marshall Wace is available on <https://www.mwam.com/>.

Versant Vantage I, L.P.

At its meeting on February 13, 2019, the Retirement Board approved in closed session an investment of up to \$25 million in Versant Vantage I, L.P. The investment was approved by the following vote:

Ayes: Commissioners Bridges, Casciato, Chu, Driscoll, Paskin-Jordan, Safai, Stansbury

SFERS' investment of \$20 million in Versant Vantage I, L.P. closed on March 8, 2019.

This investment is classified as a venture capital investment within SFERS' private equity portfolio.

More information about Versant Ventures is available on <http://www.versantventures.com/>.

Arkkan Opportunities Feeder Fund II, Ltd.

At its meeting on February 13, 2019 the Retirement Board approved in closed session an investment of \$200 million in Arkkan Opportunities Feeder Fund II Ltd. by San Francisco Absolute Return Investors II, LP ("SFARI II"). The investment was approved by the following vote:

Ayes: Commissioners Bridges, Casciato, Chu, Driscoll, Paskin-Jordan, Safaí, Stansbury
Nays: None

SFERS's investment of \$25 million in Arkkan Opportunities Feeder Fund II Ltd. closed on April 1, 2019.

This investment is classified as a Credit investment within SFERS' absolute return portfolio and is SFERS' first investment with Arkkan via share class B of SFARI II.

More information about the firm is available at: <http://www.arkkancapital.com/>

American Industrial Partners Capital Fund VII, LP

At its meeting on March 13, 2019, the Retirement Board approved in closed session an investment of up to \$75 million in American Industrial Partners Capital Fund VII, LP. The investment was approved by the following vote:

Ayes: Commissioners Bridges, Casciato, Chu, Driscoll, Stansbury
Absent: Commissioner Paskin-Jordan, Safaí

SFERS' investment of \$75 million in American Industrial Partners Capital Fund VII, LP closed on March 29, 2019.

This investment is classified as a Medium Buyout within SFERS' private equity portfolio and is SFERS' first commitment with AIP, LLC.

More information about AIP is available on <https://www.americanindustrial.com/>

Mr. Coaker announced that Ms. Tanya Kemp has been promoted to Managing Director of Private Markets. Ms. Kemp has served at SFERS for nearly 11 years, beginning her career at SFERS as a Security Analyst for Alternative Investments, then as Senior Portfolio Manager of Venture Capital, Director of Private Equity, and most recently serving as Interim Managing Director of Private Markets. Prior to SFERS, Ms. Kemp served at the Missouri State Employee's Retirement System as an Investment Risk and Performance Analyst.

Mr. Coaker also announced that Karen Perez has joined the investment team as an Investment Management Assistant, supporting Eunice McHugh and Vicki Owens in the management of the Private Credit and Liquid Credit portfolios, respectively.

At the January Board meeting Commissioner Chu requested staff to develop and present a calendar of reports for Board meetings. Below is a summary of such reports. The Forward Calendar, which is provided to the Board in the Executive Director Report, will be updated to include these investment reports as they are scheduled.

Annual Reports

- 1-Private Equity Update from the Investment Staff and Cambridge Associates
- 2-Real Assets Update from the Investment Staff and Cambridge Associates
- 3-Absolute Return Update from the Investment Staff and Blackstone
- 4-Private Credit Update from the Investment Staff and Cambridge Associates
- 5-Public Equity Update from the Investment Staff and NEPC
- 6-Liquid Credit Update from the Investment Staff
- 7-Risk Management Updates - Investment Staff, Caissa, Cambridge Associates, and Torrey Cove
 - Pacing schedules, liquidity and cash flow planning
 - Monitoring, measurements, and reporting of risk factors
 - Framework for total portfolio risk management
- 8-ESG Update from the Investment Staff
- 9-Proxy Voting and Policy Update from Investment Staff and Glass Lewis
- 12-SFERS Portfolio Update from the CIO

Every 3 Year Reports

- 1-Asset allocation from Investment Staff and NEPC (next scheduled for 2020)

Mr. Coaker announced that the next Investment Committee meeting is scheduled for Wednesday, April 17, 2019. The meeting will focus on three subjects: SFERS has grown significantly over the past few decades and is projected to continue to grow considerably in the future. SFERS was a \$5 billion pension plan in 1992, grew to \$10 billion in 2000, fell under that amount due to the 2000-02 bear market, grew to \$17 billion in 2007 then fell to \$11 billion in 2009 due to the Global Financial Crisis, and has grown rapidly since then, to \$20 billion in 2014 and \$25 billion in 2018. At the Investment Committee meeting, SFERS Portfolio Management Group will provide an initial Long-Term Plan for managing the SFERS Trust for the next 10 years.

The Board reviewed and discussed the material and engaged in a question and answer session with staff.

Commissioner Driscoll requested that when the Board has approved the hiring of a public security manager that the date and when the funding started is indicated.

Commissioner Driscoll called for public comment.

John Stinson asked the Board to re-evaluate hedge funds at the next Investment Committee.

There were no further comments and public comment was closed.

Action: This is a discussion only item.

ADMINISTRATION CALENDAR

- 11. 041019-11 Action Item Presentation of SFERS Audited Financial Statement and Required Communications for Years ended June 30, 2018 and June 30, 2017**

Documents provided to the Retirement Board prior to the current meeting: SFERS Audited Financial Statement and Required Communications for Years Ended June 30, 2018 and June 30, 2017

Jim Burruel, Finance Manager, reported that each year audited financial statements for the San Francisco Employees' Retirement System are prepared by outside auditors selected by the Controller's Office. The 2018 audited financial statements have been released by the Controller's office. Macias Gini & O'Connell LLP, the external audit firm selected by the Controller's Office, presented the 2018 audited financial statements.

Craig Harner, Senior Manager, Macias Gini and O'Connell, provided an oral presentation to the Board on this item and answered questions from the Board members. Mr. Harner reported that there were no difficulties in preparing the audit and no disagreements with management.

Commissioner Chu congratulated team for their hard work and for producing such a clean audit.

The Board reviewed and discussed the material and engaged in a question and answer session with staff.

Commissioner Driscoll called for public comment.

There were no comments and public comment was closed.

Action: Moved by Commissioner Bridges, seconded by Commissioner Chu to accept SFERS Audited Financial Statement and Required Communications for Years Ended June 30, 2018 and June 30, 2017.

Ayes: Commissioners Bridges, Chu, Driscoll, Helfond, Safai

Commissioner Driscoll continued Item No. 12 to the May 8, 2019 Retirement Board Meeting.

**12. 041019-12 Action Item Review and Approval of FY2019-20 Department Budget
(THIS ITEM WAS CONTINUED FROM THE MARCH 13, 2019
BOARD MEETING)**

13. 041019-13 Action Item Review and Approval of 2018 SFERS Annual Report

Documents provided to the Retirement Board prior to the current meeting: Draft Annual Report

Jay Huish, Executive Director, presented an oral and written report on this item.

Commissioner Driscoll called for public comment.

There were no comments and public comment was closed.

Action: Moved by Commissioner Chu, seconded by Commissioner Safai to Approve the 2018 SFERS Annual Report.

Ayes: Commissioners Bridges, Chu, Driscoll, Helfond, Safai

14. 041019-14 Discussion Item Executive Director's Report

Documents provided to the Retirement Board prior to the current meeting: Executive Director's Report

Jay Huish, Executive Director, welcomed Commissioner Helfond to the Retirement Board.

Administrative Update:

- Scott Helfond was sworn in as Retirement Board Commissioner on April 8, 2019
- Oral Arguments set for May 1, 2019 at Court of Appeals in *City and County of San Francisco v. Retirement Board* (Payment of Supplemental COLAs to pre-1996 retirees)
- All Retirement Board Members and Staff filed Form 700s and completed required Sunshine training by April 2, 2019

The Board reviewed and discussed the material and engaged in a question and answer session with staff.

Commissioner Driscoll called for public comment.

There were no comments and public comment was closed.

Action: This is a discussion only item.

15. 041019-15 Discussion Item Retirement Board Member Good of the Order

Retirement Board members may request that any matter be calendared at a future meeting. All such requests shall be calendared in a reasonable time. (Board Operations Policy ¶24.) The Board will not discuss any items requested to be calendared until a subsequent meeting when the matter is included on the agenda with the required public notice.

Commissioner Bridges spoke of her attendance at the Pension Bridge Conference and reported that SFERS was well represented by CIO Bill Coaker who was the keynote speaker and Managing Director David Francl who was moderator for the hedge fund panel who both did an excellent job. Commissioner Bridges recommended that Mr. Coaker share his presentation with the Board and Staff.

Commissioner Driscoll called for public comment.

There were no comments and public comment was closed.

Action: This is a discussion only item.

16. 041019-16 Adjournment

Having no further business, the Board adjourned the meeting at 5:40 PM

Respectfully submitted,
Jay Huish, Executive Director